

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
APRIL 18, 2002

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, April 18, 2002. Members present were Gary M. Smith, Vice Chairman; Tony Zaleski, Ronald E. Depasse, Loretta M. Burd and David D. Baer. Also present from the Department were Charles W. Phillips, Director; J. Philip Goddard, Chief Counsel, Deputy Director, Non-Depository Institutions and Secretary; James M. Cooper, Deputy Director, Depository Division; Kirk J. Schreiber, Senior Bank Analyst; Gina R. Williams, Senior Bank Analyst; Chuck T. Stumpf, Deputy Director, Administration Division; Chris McKay, Legal Assistant; Mark K. Powell, Supervisor, Credit Union Division; Mark Tarpey, Supervisor, Consumer Credit Division; Virginia Stowers, UCCC filing Supervisor and Ronda Bailey, Administrative Assistant. Guest were Mike Hussey, President of Tech Credit Union and Michael Brown from Executive Media Communications Consultant. Member absent were James L. Saner and Ms. Briget Polichene.

I. PUBLIC SESSION

A.) Attendance

B.) Date of next meeting: May 9, 2002 @ 9:00 a.m.

C.) A motion was made for approval of the minutes of the meeting held on March 14, 2002 by Mrs Burd and was seconded by Mr. Baer. The minutes were unanimously approved.

CREDIT UNION DIVISION

1.) PERFECT CIRCLE CREDIT UNION, HAGERSTOWN, WAYNE COUNTY, INDIANA

Mark K. Powell, Supervisor, Credit Union Division presented this application. Perfect Circle Credit Union has applied to the Members of the Department of Financial Institutions for approval of their proposed merger of Pal-Item Employees Federal Credit Union, Richmond, Wayne County, Indiana into Perfect Circle Credit Union.

This is a voluntary merger being entered into by the Board of Directors of Pal-Item Employees Federal Credit Union to provide the more complete and sophisticated services of Perfect Circle Credit Union to the members of Pal-Item Employees Federal Credit Union.

Mr. Powell explained that the long time manager of the Pal-Item Employees Federal Credit Union has retired, and no one wants to fill the job. Mr. Powell further explained that the balance sheet of Perfect Circle Credit Union would show little change due to the merger, and that what change there would be would be positive.

There were no questions from the Members concerning this merger

Mrs. Burd made a motion for approval, which was seconded by Mr. Baer. The motion to approve the voluntary merger of Pal-Item Employees Federal Credit Union into Perfect Circle Credit Union was unanimously approved.

2.) TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA

Mark K. Powell, Supervisor, Credit Union Division presented this application. Tech Credit Union has applied to the Members of the Department of Financial Institutions for approval of their proposed merger of LTV Steel Employees Federal Credit Union, East Chicago, Lake County, Indiana into Tech Credit Union.

This is a voluntary merger being entered into by the Board of Directors of LTV Steel Employees Federal Credit Union to provide the more complete and sophisticated services of Tech Credit Union to the members of LTV Steel Employees Federal Credit Union.

Mr. Powell introduced Mr. Mike Hussey the President of Tech Credit Union and explained that Mr. Hussey would be available to answer any questions that the Members might have concerning the merger.

Mr. Powell explained that there were two separate events that joined together to cause the problems that triggered the merger request. The first was the creation of a management committee to replace a retiring manager. This increased salary expense and decreased efficiency and corporate direction. The second was the bankruptcy of LTV Corporation. Because management was not functioning, as it should have been the large increase in delinquent loans created by the bankruptcy was not dealt with correctly. The amounts being placed in the ALL increased dramatically and expenses remained high; therefore, LTV Steel Employees FCU experienced large sustained net losses.

Mr. Powell explained further that WL ROSS & CO has bought LTV Steel out of bankruptcy. WL Ross & Co. through a subsidiary (ISG) is in the process of getting the plant back to full operation, and is negotiating a new contract with the local union. Mr. Powell stated that it was his belief that with the return of employment to LTV employees and the diligence of the Tech Credit Union collection department the net loss created by the LTV delinquent loans would be minimal.

Mrs. Burd asked Mr. Hussey what affect the re-call of the LTV employees would have on the delinquency problem. Mr. Hussey replied that it would take-care of a very large percentage of the delinquent loans if in fact the plant did get back to full employment by September of 2002. Mr. Hussey further stated that another benefit to Tech Credit Union would be the ability to close the already existing Tech branch in East Chicago and move into the much newer LTV offices also located in East Chicago.

Mr. Zaleski then asked if the recall involved only former employees of LTV Steel, and how many would be called back in total. Mr. Hussey replied that only former employees would be recalled, and that it was his understanding that as many as 3,000 people could be involved in the recall.

Mrs. Burd made a motion for approval, which was seconded by Mr. Baer. The motion to approve the voluntary merger of LTV Steel Employees Federal Credit Union into Tech Credit Union was unanimously approved.

DIRECTOR'S COMMENTS AND REQUESTS

- A.) Chuck T. Stumpf, Deputy Director, Administrative presented to the Members for approval the proposed fee schedules for all Divisions of the Department of Financial Institutions for the fiscal year ending 6-30-2003. Mr. Stumpf informed the Members that the Department is proposing to revise the fee schedules for the Bank and Non-Depository Divisions. The Credit Union Division fee schedule will remain the same. The revisions are as follows:
- 1.) **Payday Lenders:** To totally revise the Payday Lender industry fee structure to adequately reflect the additional ongoing costs of supervision under the new statute. The recommended fee structure was a \$2000 annual renewal fee and a \$1000 per branch fee on an annual basis. The Payday Lender Industry will no longer pay the volume fee.
 - 2.) **The Non-Depository Division volume fee from \$15.00 to \$16.00 for the FYE 2003**
This fee was lowered from \$16 to \$13 for the FYE 6-30-99 as the Department was attempting to eliminate the growth in its Fund Balance. From July 1, 1999 through June 30, 2001, the Department's Fund Balance has decreased from \$3,950,844 to \$2,632,911. The \$1 increase in the volume fee will generate an additional \$150,000 in revenue and will be beneficial in developing a net surplus for the FYE 6-30-03.
 - 3.) **Bank Fees:** To raise bank fees to address the need to more accurately match costs with revenue for institutions with less than \$100,000,000 in assets. Every bracket in the bank fee structure will be increased on a graduated basis with the smallest bracket being increased by 6.25% and the largest bracket by 1.25%. The net result is a 2.9% increase in fees. The Department has not raised bank fees throughout the brackets since the mid eighties and its fee structure remains very competitive with surrounding states and its federal counterparts.
- B.) **Home Federal Savings Bank, Columbus, Bartholomew County, Indiana**
On March 8, 2002, the bank notified the Department of its intent to establish a wholly owned subsidiary to be known as Home Investments, Inc. ("Investments") pursuant to IC 28-13-16. Investments is being established to improve the efficiency of the management, safekeeping and operations of the Bank's securities investment portfolio. **This item is for informational purposes only.**

C.) Greenfield Banking Company, Greenfield, Hancock County, Indiana

On March 13, 2002, the bank notified the Department of its intent to establish a wholly owned subsidiary to be known as GBC Portfolio Management, Inc. ("GBC") pursuant to IC 28-13-16. GBC is being established to acquire, hold, sell, exchange, and otherwise dispose of and to collect the income from investment securities.

D.) Salin Bank and Trust Company, Indianapolis, Marion County, Indiana

The bank notified the Department that they closed the branch banking office that was known as the "Franklin Wal-Mart Branch " on March 22, 2002. The branch was located at 2125 North Morton Street, Indianapolis, Marion County, Indiana. The branch closed on March 2, 2002, @ 5:00 p.m. **This item was for informational purposes only.**

E.) Phil Goddard updated the Members on the continuing implementation of House Bill 1075.

F.) Director Phillips will advise the Members of actions taken pursuant to Delegated Authority. Mr. Phillips asked for any questions or clarifications of the actions, which are as follows:

DIVISION OF BANK AND TRUST COMPANIES

1.) 1ST SOURCE BANK, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA

The bank has applied to the Department for approval to relocate a branch banking office from 3600 Portage Avenue, South Bend, St. Joseph County, Indiana to 3655 Portage Avenue, South Bend, St. Joseph County, Indiana. The application was received on February 28, 2002. The branch is to be known as the Portage Avenue Branch. The proposed branch is less than 400 feet from the existing branch, which is located bank within a Meijer Superstore and currently being leased. The bank purchased the land for the branch for \$315M. The estimated costs for constructing the branch is \$757M. Furniture, fixtures, and equipment costs are projected at \$217M. No insider relationship exists between any insiders of the bank and any of the parties involved in this transaction. The bank's three-year average ROA is 1.25%. As of December 31, 2001, the bank's Tier 1 leverage capital ratio is 8.32%. The investment in total fixed assets to total capital will only be 11.23% after the branch is relocated. The bank will have sixty-one branches. **The Director approved this on March 18, 2002, under Delegated Authority.**

2.) CITIZENS BANK, MOORESVILLE, MORGAN COUNTY, INDIANA

The bank has applied to the Department for approval to establish a branch banking office to be located on an out lot of the Meijer Superstore at Heartland Crossing & S.R. 67, three miles north of Mooresville. The address of the branch is unknown at this time. The application was received on February 28, 2002. The branch is to be known as the **Heartland Crossing Branch**. The bank has an option to purchase the land from Meijer Corporation for \$425M. The cost to construct the branch is projected at \$500M. Furniture, fixtures, and equipment are projected at \$175M. There is a possibility that a director's company may bid on the construction contract; however, the bidding process will be part of the architect's responsibility. The bank's three-year average ROA is 1.33%. As of December 31, 2002, the

bank's Tier 1 leverage capital ratio is 10.44%. The investment in total fixed assets to total capital will be 15.28% after the establishment of the branch. This will be the institution's tenth branch. **The Director approved this on March 18, 2002, under Delegated Authority.**

3.) FOWLER STATE BANK, FOWLER, BENTON COUNTY, INDIANA

The bank has requested a 90-day extension for the relocation of its branch office from 312 South Newton Street, Newton County, Indiana to 409 North 7th Street, US Highway 41, Kentland, Newton County, Indiana. The branch relocation was originally approved under delegated authority on April 27, 2001. On March 18, 2002, the Director under Delegated Authority approved an extension until June 30, 2002, to relocate the above branch office.

4.) MIDWEST AG FINANCE, INC., INDIANAPOLIS, MARION COUNTY, INDIANA

Midwest Ag Finance, Inc. ("Midwest") has applied for the approval of the Department for permission to include subordinated debentures as Sound Capital pursuant to IC 28-1-13(10).

Midwest is chartered as an Industrial Loan and Investment Company pursuant to IC 28-5-1. It is not authorized to issue, negotiate, and sell certificates of indebtedness or investment or accept any deposit like instruments. Midwest's primary business purpose is to make loans to agricultural producers and other agribusiness that are 90% guaranteed by the Farm Services Agency of the United States Department of Agricultural. Midwest retains the servicing rights and other related fees associated with the loans. Midwest is proposing to raise up to \$1,500,000 through a private placement offering. The offering consists of the sale of its common stock, subordinated debentures, and mandatory stock purchase contracts. As of December 31, 2001, Midwest had total assets of \$4.9 million, total liabilities of \$3.1 million and equity of \$1.8 million. For its fiscal year ending July 31, 2001, Midwest reported net income of \$157,000. The offering is necessary to fund anticipated growth. Midwest is considered to have complied with the requirements of the Department's Guidelines for Issuing Subordinated Debt Securities.

On March 18, 2002, The Director under Delegated Authority approved the subordinated debt to be included in Sound Capital contingent upon the following condition:

- 1. The principal amount of the capital debt outstanding which will qualify as sound capital under IC 28-1-1-3(10) shall not exceed an amount equal to 50% of capital stock and surplus.**

DIVISION OF CREDIT UNIONS

1.) HOOSIER HILLS CREDIT UNION, BEDFORD, LAWRENCE COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this

amendment would place the following organizations into the field of membership of the credit union:

American Family Insurance-Gerry Gwinn's Agency – Jasper – 2 members (common bond of occupation as defined by 28-7-1-10)

USDA Service Center-Jasper – Jasper – 15 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 15, 2002, under Delegated Authority.

2.) CENTRA CREDIT UNION, COLUMBUS, BARTHOLOMEW COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Hitachi Cable Indiana, Inc. – New Albany – 450 members (common bond of occupation as defined by 28-7-1-10)

Kirchdorfer & Cunningham, Inc. – Sellersburg - 80 members (common bond of occupation as defined by 28-7-1-10)

MD Trucking – Henryville – 3 members (common bond of occupation as defined by 28-7-1-10)

Reising Radio Partners, Inc. – Columbus – 35 members (common bond of occupation as defined by 28-7-1-10)

T&M Trucking – Henryville – 3 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 19, 2002, under Delegated Authority.

3.) FORUM CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

PanaMed Corporation – Indianapolis – 8 members (common bond of occupation as defined by 28-7-1-10)

The Consultants Consortium, Inc. – Greenwood – 14 members (common bond of occupation as defined by 28-7-1-10)

Indy's Taste of Chicago, Inc. – Noblesville – 12 members (common bond of occupation as defined by 28-7-1-10)

Tom O'Brien – Indianapolis – 85 members (common bond of occupation as defined by 28-7-1-10)

Summit Collections – Indianapolis – 1 member (common bond of occupation as defined by 28-7-1-10)

Devcon, Inc. – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

MedComply – Indianapolis – 11 members (common bond of occupation as defined by 28-7-1-10)

Beau-T-Lawn, LLC – Indianapolis – 10 members (common bond of occupation as defined by 28-7-1-10)

MacSlect, Inc. – Indianapolis – 6 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 28, 2002, under Delegated Authority.

4.) WABASH COUNTY FARM BUREAU CREDIT UNION, WABASH, WABASH COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-7 (which allows a credit union to amend its' articles of incorporation to change its' corporate name) this amendment would change the corporate name of the credit union to the following:

Beacon Credit Union

The Director approved this on March 28, 2002, under Delegated Authority.

5.) DOUBLE ELEVEN CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Matlock Ford-Mercury – Franklin – 29 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 28, 2002, under Delegated Authority.

6.) HOOSIER HILLS CREDIT UNION, BEDFORD, LAWRENCE COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Kress Carpet Cleaning Service – Jasper – 1 member (common bond of occupation as defined by 28-7-1-10)

Barger's Property Management, Inc. – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

Soldiers of Christ' Church – Bedford – 15 members – (common bond of church membership as defined by 28-7-1-10)

The Director approved this on March 28, 2002, under Delegated Authority.

7.) **DOW EMPLOYEES CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Renaissance, Inc. – Indianapolis – 73 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 28, 2002, under Delegated Authority.

8.) **TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Premier Driving Institute, Inc. – Elkhart – 10 members (common bond of occupation as defined by 28-7-1-10)

Loon Creek Church of the Brethren – Huntington – 10 members (common bond of church membership as defined by 28-7-1-10)

L&M Janitorial Service – South Bend – 4 members (common bond of occupation as defined by 28-7-1-10)

Renal Care Group – Indianapolis – 500 members (common bond of occupation as defined by 28-7-1-10)

Granger Tap & Grill – Granger – 30 members (common bond of occupation as defined by 28-7-1-10)

Powerway, Inc. – Indianapolis – 182 members (common bond of occupation as defined by 28-7-1-10)

D&S Distributing, LLC – Mishawaka – 4 members (common bond of occupation as defined by 28-7-1-10)

Amital Limited – South Bend – 1 member (common bond of occupation as defined by 28-7-1-10)

Konvoll Corporation dba The Business Resource Store – South Bend – 2 members (common bond of occupation as defined by 28-7-1-10)

Junoll Industries – South Bend – 6 members (common bond of occupation as defined by

28-7-1-10)

Crown Point Community School Corporation – Crown Point – 587 members (common bond of occupation as defined by 28-7-1-10)

Burns Staffing – Valparaiso – 30 members (common bond of occupation as defined by 28-7-1-10)

Beech Grove Urgent Care – Indianapolis – 9 members (common bond of occupation as defined by 28-7-1-10)

Tangles Salon – North Liberty – 11 members (common bond of occupation as defined by 28-7-1-10)

Blue Waters of Indiana – Speedway – 12 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 28, 2002, under Delegated Authority.

9.) FORUM CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

PanaMed Corporation – Indianapolis – 8 members (common bond of occupation as defined by 28-7-1-10)

The Consultants Consortium, Inc. – Greenwood – 14 members (common bond of occupation as defined by 28-7-1-10)

Indy's Taste of Chicago, Inc. – Noblesville – 12 members (common bond of occupation as defined by 28-7-1-10)

Tom O'Brien – Indianapolis – 85 members (common bond of occupation as defined by 28-7-1-10)

Summit Collections – Indianapolis – 1 member (common bond of occupation as defined by 28-7-1-10)

Devcon, Inc. – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

MedComply – Indianapolis – 11 members (common bond of occupation as defined by 28-7-1-10)

Beau-T-Lawn, LLC – Indianapolis – 10 members (common bond of occupation as defined by 28-7-1-10)

MacSlect, Inc. – Indianapolis – 6 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on March 28, 2002, under Delegated Authority.

10.) UNITED CREDIT UNION, WARSAW, KOSCIUSKO COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a

credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Johns Garage – Warsaw – 3 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on April 8, 2002, under Delegated Authority.

CONSUMER CREDIT DIVISION

- 1.) Allstar Rentals, Inc. is requesting a consumer loan license. Applicant is based in Oakland City IN with branches in Linton and Princeton. They will be making single pay short term loans at 36% APR. They will be servicing their loans. They have Check Cashing license #8577. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 2.) Calusa Investments, LLC is requesting a consumer loan license. Applicant is based in Chantilly VA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in 20 states. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 3.) Ebanc Funding, Your Mortgage Lender, LLC is requesting a consumer loan license. Applicant is based in Clearwater FL. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title company/attorneys. They currently operate in five states. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 4.) Encore Credit Corp. is requesting a consumer loan license. Applicant is based in Irving CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in seven states. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 5.) First Capital Financial Services Corp. is requesting a consumer loan license. Applicant is based in Appleton WI. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in six states. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 6.) H S B C Mortgage Corporation (USA) is requesting a consumer loan license. Applicant is based in Depew NY and is a wholly owned subsidiary of HSBC Bank. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed by title company/attorneys. They currently operate in 48 states. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**

- 7.) Novelle Financial Services, Inc. is requesting a consumer loan license. Applicant is based in San Diego CA. The parent company is IMPAC Funding, Loan License #8164 which is a publicly traded company. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed by title company/attorneys. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 8.) Trans-Fast Remittance, Inc. is requesting a money transmitter license. Applicant is based in New York, NY and has been licensed in home state of New York since 12/5/89. They will do wire transfers to Hispanic countries. They will have agents in Indianapolis, and other areas of the state as deemed appropriate. They currently operate in 12 states. Applicant has met all of financial requirements under the Act. Applicant is recommended for approval. **The Director approved this on April 4, 2002, under Delegated Authority.**
- 9.) Ohio Indemnity/Ultimate GAP is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Columbus OH. There is a contractual liability policy issued by Ohio Indemnity Company. The initial dealer requesting approval is Owen County Bank. All future dealers will agree to abide by the same terms as those approved. There is a 30-day free-look and customer deductible is covered up to \$1,000. The maximum charge is \$250 on programs without a rebate to the customer upon prepayment, and \$420 on programs with a customer rebate upon prepayment. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202 (1)(c). **The Director approved this on April 4, 2002, under Delegated Authority.**
- 10.) Howell & Associates Auto GAP is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Madisonville LA. There is a contractual liability policy issued by Ace Insurance (formerly CIGNA). There is a 60 day free-look period, refund upon prepayment based on Rule of 78ths, customer deductible is covered up to \$1,000, maximum cost to customer is \$420. The initial dealer requesting approval is O'Daniel Chrysler-Plymouth-Jeep. All future dealers will agree to abide by the same terms as those approved. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202 (1)(c). **The Director approved this on April 4, 2002, under Delegated Authority.**
- 11.) Allied Solutions is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Carmel IN. There is a contractual liability policy issued by Balboa Insurance. The free look period is 60 days. Customer deductible is covered up to \$1,000. Cost is \$295 without a rebate upon prepayment and \$420 with a rebate upon prepayment. The initial dealer requesting approval is Lake City Bank. All future dealers will agree to abide by the same terms as those approved. Approval is subject

to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions.

This is provided for under IC 24-4.5-2-202 (1)(c). **The Director approved this on April 4, 2002, under Delegated Authority.**

There being no further business to come before the Members, a motion to adjourn the meeting was made by Mr. Depasse and seconded by Mrs. Burd the motion was unanimously approved.

APPROVED:

ATTEST:

Gary M. Smith, Acting Chairman

J. Philip Goddard, Secretary